

Week in Regulation

Regulatory Budget Swings Back into Cost Side

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A handful of regulatory and deregulatory actions duked it out this past week. Unlike the preceding week, however, the former category had the edge. The most consequential rule with regards to the regulatory budget was a Department of Labor (DOL) measure regarding reporting requirements for unions. Across all rulemakings, agencies published \$259 million in total net costs and added 235,753 hours of annual paperwork.

REGULATORY TOPLINES

• 2020 Proposed Rules: 30

• 2020 Final Rules: 59

• 2020 Total Pages: 13,451

• 2020 Final Rule Costs: \$3.2 billion

• 2020 Proposed Rule Costs: \$3.6 billion

TRACKING THE REGULATORY BUDGET

In terms of rules that actually moved the needle on the fiscal year (FY) 2020 regulatory budget, the most significant was DOL's rule on "Labor Organization Annual Financial Reports For Trusts In Which A Labor Organization Is Interested, Form T-1." As the title suggests, this action focuses on the requirements labor unions face in reporting data "concerning trusts in which they are interested." DOL estimates that the additional burden (primarily administrative in nature) faced by relevant entities comes out to roughly \$7.8 million per year, or \$112 million in present value.

The Trump Administration expects to reach \$51.6 billion in cumulative net savings in FY 2020. To date in the fiscal year, agencies have finalized 61 deregulatory actions and 19 regulatory actions, totaling \$2.2 billion in quantified total net costs.

THIS WEEK'S REGULATORY PICTURE

This week, checking in on agency compliance with an executive order on guidance documents.

President Trump signed Executive Order (EO) 13,891 on October 9, 2019. As AAF explained, this EO directed executive agencies to establish a central website, or portal, housing all current guidance documents. A subsequent memorandum from the Office of Management and Budget established a deadline of February 28, 2020, for agencies to establish their website, and directed them to publish a notice in the Federal Register letting

Agency	Website	Notice
Agriculture	No	No
Commerce	Yes	Yes
Defense	No	No
Education	Yes	Yes
Energy	Yes	Yes
Environmental Protection Agency	Yes	Yes
Health & Human Services	No	No
Homeland Security	Yes	No
Housing & Urban Development	Yes	Yes
Interior	Yes	Yes
Justice	Yes	No
Labor	Yes	Yes
Small Business Administration	Yes	Yes
State	Yes	Yes
Transportation	Yes	Yes
Treasury	No	No
Veterans Affairs	Yes	No

As the table below shows, the major executive agencies largely complied with the memorandum 9 — though there is no penalty for failing to meet the deadline. Of the 17 major agencies below, four have yet to create a functioning website (the Department of Agriculture has a guidance website, but it only contains significant guidance documents and references an EO from 2007). There are also three agencies that complied with the portal requirement but have not published a notice of its availability.

The portal aims to address a decades-old problem. Agencies often create reams of guidance documents that are supposed to help regulated entities comply with regulatory requirements, but they are often difficult to find – and that is if the entity even knows such guidance exists. The new portals centralize this information, making it easier to find.

A number of smaller executive agencies have also complied with the memorandum, including the Equal Employment Opportunity Commission, the Social Security Administration, and the National Archives and Records Administration.

TOTAL BURDENS

Since January 1, the federal government has published \$6.8 billion in total net costs (with \$3.2 billion in finalized costs) and 1.4 million hours of net annual paperwork burden increases (with 1.4 million hours due to final rules). Click here for the latest Reg Rodeo findings.

